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DEPARTMENT PLEASE PASS USTR
DEPARTMENT FOR P STAFF GEORGE KENT, EAP/K ANDREW OU, EAP/EX
PATRICIA MCCARTHY, IO/PSC DOUGLAS WAKE

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TAGS: [ETRD](#) [OSCE](#) [PARM](#) [PHUM](#) [PREL](#) [ABLD](#) [ROK](#)
SUBJECT: OSCE MINISTERIAL: U/S BURNS'S MEETING WITH KOREAN
DFM SHIM

Classified By: Deputy Chief of Mission Hugo Llorens, Reasons 1.4 (b) and (d)

11. (U) November 28; 6:20 p.m.; Madrid, Spain.

12. (U) Participants:

United States
Under Secretary Burns
Special Assistant Sumona Guha
1E. Strother Murray (Embassy Notetaker)

Republic of Korea
Deputy Foreign Minister Shim Yoon-joe
Kang Kym-gu, Director, European Regional Cooperation
Division, MFA
Jeepio Hong, Deputy Director, North America Division I, MFA

13. (C) Summary. In a November 28 bilateral meeting on the eve of the OSCE Ministerial in Madrid, U/S Burns and Korean Deputy FM Shim exchanged views on critical issues including Middle East peace and North Korea denuclearization as well as mutual concerns regarding Iran, Darfur, Afghanistan, and Burma. In a far-reaching conversation that began with baseball and ended with buildings, Shim tested U.S. receptivity to a four-party ministerial framework to deal with Korean peninsula matters, and made it clear the ROKG could not accept a separate trilateral forum that excluded both Koreas. On matters involving the deployment of ROKG resources to Sudan and Afghanistan, Shim deferred discussions and decision-making until after Korean elections December 19. The same was true of market access for U.S. beef. Shim stressed the importance of Chinese engagement to bring down the Burmese junta, and pledged his government's support for implementation of Annapolis next steps. End summary.

Shared Goals in the Middle East

14. (C) Deputy FM Shim congratulated U/S Burns on the successful November 27-28 Middle East peace conference in Annapolis, saying it seemed to be a good start. Shim nonetheless asserted the ROKG should have been invited to participate not just in Annapolis but in the October conference of Iraq's neighbors. He asked the Under Secretary who would represent the USG at the December 17 conference in Paris. If Secretary Rice attended, Shim believed Korea's Foreign Minister would also. U/S Burns promised to advise him and, regarding Annapolis, thanked Shim for his phone call

and said there was no reason Korea could not be part of the effort going forward. Shim expressed interest in Hamas and assured U/S Burns the ROKG would cooperate on Iran. Shim understood the importance of the region to President Bush and to Secretary Rice, citing the Secretary's eight trips there.

DPRK Denuclearization

15. (C) Turning to the North Korean nuclear issue, Shim mentioned EAP Assistant Secretary Hill's travel to consult with counterparts in Tokyo, Seoul, Pyongyang, and Beijing beginning November 28, including a visit to the disablement site. When asked whether the USG planned to lift the DPRK from the list of state sponsors of terrorism, U/S Burns affirmed it was a good idea for A/S Hill to go to Pyongyang, but cautioned that engagement would have to be step by step. Responding to Shim's query about D.C. views on the Six Party Talks, U/S Burns conceded there were some critics in Congress but that the overall atmosphere was good and that the Six-Party format was right, provided the DPRK met its commitments. In Seoul, Shim stated, the atmosphere was upbeat, as long as the DPRK was serious. It might be desirable to encourage the DPRK with an added thrust sometime in January. If by the end of 2007, North Korea had fulfilled its complete declaration of nuclear programs, Shim posited that Foreign Minister talks among four of the six countries could be appropriate.

16. (C) When U/S Burns asked what purpose additional four-party negotiations might serve, Shim hastened to clarify such a summit right after the six gathered was purely theoretical. Yet he hoped such a meeting would provide a chance to explore the Korean peace regime and armistice

agreement. The Under Secretary noted that the U.S. has not agreed to a four-party format. The first priorities were to resolve the nuclear issue and to normalize U.S.-DPRK relations. Only after those steps could the U.S. revisit the peace agreement. Launching of such an agreement simultaneously and in parallel, Burns thought might be a problem for the United States. U/S Burns said he would let the Secretary know, but reiterated the DPRK must do what they said and noted it was not possible to move forward on all fronts. The USG remained committed to a Six-Party ministerial, and A/S Hill's trip would help determine a course of action.

Iran: ROK Reducing Economic Relations

17. (C) Under Secretary Burns noted Russia and China were continuing to block progress on a third UNSC sanctions resolution. The EU was considering a separate sanctions effort against Iran. Shim said Treasury U/S Levy's visit to Seoul had been productive, and the ROK would cooperate in the international effort against Iran. The South Korean government has met to discuss actions against Iranian banks, and the private sector was already taking its own measures to diminish economic interactions. After strong ROKG warnings to Korean banks about the risks involved -- with specific reference to the October designation of the Revolutionary Guards (IRGC) as a foreign terrorist organization by the United States -- many banks and other companies had reduced their interactions with Iranian interests. Bank Mellat had a branch in Seoul and its business was going down. The volume of construction contracts with Iran had gone down 25 per cent. Shim acknowledged it was important for Korea to secure its oil supplies, given eight per cent reliance on Iranian oil. He said the ROKG was reviewing contracts on a case-by-case basis to ensure they had nothing to do with Iran. He offered to keep U/S Burns apprised of additional Korean actions and progress. U/S Burns said these actions were very helpful and asked if the ROK could make its actions public.

No Decision Yet on Support for UNAMID

¶18. (C) Asked whether the ROKG could provide helicopters and transport in support of the UN mission in Darfur, Shim summarized the Korean Ministry of Defense's initial negative response but surmised there was a possibility for cooperation, especially in the event ROKG troops currently in Kuwait withdraw in the next few years. Urged to review the possibility of transferring those assets to Darfur, Shim said the decision might best be made by a new, stronger government, considering the current Korean political season. The ROKG would reconsider providing assets to UNAMID after the December 19 elections.

Afghanistan: With More Info, Could Support Electricity

¶19. (C) Shim referenced the ROKG's decision to withdraw its military medics and engineers from Afghanistan and replace them with civilian medical personnel. U/S Burns hoped Korea would be able to act on past proposals to lead a Provincial Reconstruction Team and provide funding for the Northern Electricity Power System (NEPS) project. Shim asked for more information on the so-called Uzbekistan project and said no one had specifically asked the ROKG to participate. Though he would need more information, Shim felt sure the Korean Ex-Im Bank would be willing to provide the \$25 million needed. Shim called the situation of South Korean hostages in Afghanistan "exceptional."

China Key to Change in Burma

¶10. (C) "Burma cannot be changed overnight," the Deputy Foreign Minister said, but the junta must change. Shim shared USG concerns about the unmet expectations of UN envoy Ibrahim Gambari, who U/S Burns noted might need an international "energy boost" in order to be more active in Burma itself. Shim agreed Gambari's exclusion from ASEAN in

mid-November had been a great loss of face. He promised to keep in touch with Under Secretary Burns on Burma. It would take time, but there had been fruitful three-party meetings with China in October, and it would be important to embrace China and to present a united front. U/S Burns added he would discuss Burma with the Chinese in Paris.

FTA: "Beef"ing Up Unlikely Before February

¶11. (C) U/S Burns raised the U.S.-ROK FTA, urging DFM Shim to fully implement the guidelines on imports of U.S. beef. Deputy FM Shim responded by asking U/S Burns what he thought of the ROKG proposal to do so in two steps, the first 80 per cent with the remainder to be discussed. He confessed it was a political decision that might have to wait until February, following approval Shim hoped the National Assembly would grant in early 2008. He asked whether the USG would re-submit the FTA after February. The Under Secretary insisted he thought a one-step, 100 per cent agreement was best in order to establish the right climate and build momentum for passage on the Hill.

U.S.-China-Japan Trialogue?

¶12. (C) Shim raised the matter of a trilateral dialogue among the United States, China, and Japan. Calling the idea "unacceptable" to the ROKG, he admitted it was too close for comfort to the Korean peninsula. Though he appreciated the Under Secretary's offer to inquire with the Japanese as to why the concept had resurfaced, Shim noted the USG should

keep a low profile and be careful in asking Japan -- lest the GOJ think there was room for re-visitation.

And about that NOB . . .

¶13. (C) Finally, Shim asked Under Secretary Burns to look into what he believed was a misunderstanding over the transfer to a new site of the U.S. Embassy in Seoul. The best way to resolve the issue, he said, was for the USG to keep the "original" site. Shim believed the dispute was to blame for the apparent reluctance the Koreans had encountered when opening a new consulate in Alaska. He accepted the Under Secretary's suggestion the ROKG raise the matter with U.S. Ambassador Vershbow.

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